



FROM THE OFFICE OF STATE TREASURER BRIAN K. KROLICKI

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CONTACT: Kathy Besser
(775) 684-5768

ANNUAL TOBACCO PAYMENT 11.4 PERCENT LOWER THAN PROJECTED

(Carson City, Nevada) – State Treasurer Brian K. Krolicki announced today that the amount of money received for the State's annual payment from the 1999 Tobacco Master Settlement Agreement (MSA) totaled \$37.1 million. This amount is 11.4% below the amount originally forecast for Nevada's portion of the MSA. Additionally, several tobacco companies have disputed the amount of money they owe under the settlement, and these monies have been placed in an escrow account.

"The tobacco payment received today continues the serious decline in payments versus what was initially projected," said Treasurer Krolicki. "Nevada has critically important programs funded by this source, including Senior Rx and the Millennium Scholarship Program, which continue to be imperiled by this decline."

Treasurer Krolicki, who administers the Millennium Scholarship Program, introduced legislation earlier this year that would assist in preserving the Program in light of the diminishing revenues. AB 153 would decrease current funding needs by \$10 million annually. In addition, at the beginning of the 2005 Legislature, Governor Guinn and legislative leaders agreed on funding for the Millennium Scholarship Program that would decrease the Program's reliance on tobacco funding. Both changes are critical to preserving the program.

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